

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF VIRGINIA
Richmond Division

In re:

LeClairRyan, PLLC,¹

Debtor

Case No.

19-34574-KRH

Chapter 7

ORDER APPROVING SETTLEMENT

This day came Lynn L. Tavenner, Trustee (the “**Trustee**”), by counsel, on her Motion for Approval of Compromise and Settlement and Memorandum of Law (the “**Settlement Motion**”),² the Court having found that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (b) this is a core proceeding pursuant to 28 U.S.C. § 157(b), (c) notice of the Motion and hearing thereon was sufficient under the circumstances, and (d) the Settlement represents (i) a sound exercise of the Trustee’s business judgment, (ii) falls within the range of reasonableness, (iii) is fair and equitable, and (iv) is in the best interest of the Estate and creditors; and the Court having determined that the legal and factual basis set forth in the Settlement Motion establish just cause for the relief granted herein;

UPON DUE CONSIDERATION, IT IS ORDERED, ADJUDGED AND DECREED

THAT:

¹ The principal address of the Debtor as of the Petition Date was 4405 Cox Road, Glen Allen, Virginia 23060, and the last four digits of the Debtor’s federal tax identification number are 2451.

² Capitalized terms not otherwise defined herein shall have the meanings given to them in the Settlement Motion.

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Counsel for Lynn L. Tavenner, Chapter 7 Trustee

1. The Settlement Motion is granted.
2. The Settlement is approved. The Trustee is authorized to take all action necessary to effectuate the Settlement.
3. The Trustee is authorized to abandon and destroy the Administrative Files located at any facility other than the Richmond Facility.
4. The Trustee is authorized to abandon and destroy any Administrative File at the Richmond Facility received by Iron Mountain on or before December 31, 2013.
5. Iron Mountain is hereby granted an allowed Chapter 7 administrative expense against the Estate in the amount of \$175,000, payable the later of entry of a final, non-appealable order approving Settlement and August 1, 2022.
6. Iron Mountain is hereby granted an allowed Chapter 11 administrative expense in the amount of \$300,000, which amount shall not be paid immediately, but shall be paid pursuant to the provisions of the Bankruptcy Code or any procedures that this Court may approve in this Case for the payment of Chapter 11 post-petition administrative expenses (whichever would result in an earlier distribution).
7. Iron Mountain is hereby granted an allowed pre-petition claim as a general unsecured creditor in the amount of \$1,400,000 to be paid pursuant to the provisions of the Bankruptcy Code when other distributions of similar general unsecured claims are made in connection with the Trustee's final report, and its Claim No. 154 previously filed in this Case is hereby deemed amended as part of the Settlement to reflect the same.
8. Iron Mountain shall destroy all records, electronic and physical, of LeClairRyan (and/or of its predecessors) in its possession located in (a) any facility other than those in the

Richmond Facility and (ii) the Richmond Facility received on or before December 31, 2013, and thereafter certify to the Trustee upon completion of the same.

9. Iron Mountain shall receive an additional Chapter 7 administrative expense claim in the amount of \$3,100 a month beginning June 1, 2022 for the storage of the remaining records at the Richmond Facility until receiving the Trustee's instruction to destroy all remaining boxes. The storage for the month of June and July shall be included in the first August payment, so a total of \$9,300 will be paid on the later of August 1, 2022 or entry of a final order approving the Motion. Thereafter, the Trustee shall make monthly payments of \$3,100 until she provides written instruction to destroy all remaining boxes.

10. Upon receiving the Trustee's instruction, Iron Mountain shall destroy the remaining boxes at the Richmond Facility

11. Upon the entry of a final, non-appealable order approving the Settlement, except for the obligations created by the Settlement, or to enforce the obligations created by the Settlement or claims arising from the Settlement, the Parties do hereby release, remise, acquit and forever discharge the other, of and from any and all actions, causes of action, claims, suits, demands, rights, debts, dues, obligations, accounts, contracts, agreements, controversies, judgments, damages, losses, costs, expenses, fees, attorneys' fees, sanctions, executions, liabilities, obligations and any and all other liabilities of any kind whatsoever, either in law or equity, whether known or unknown, suspected or unsuspected which could have been asserted from the beginning of time to the date hereof against each other.

12. Except as provided herein, Iron Mountain shall be entitled to no additional claims against and/or amounts from the Estate .

13. Nothing herein shall alter or otherwise impact the rights of the Trustee under the Client File Order including but not limited to the ability to assess and collect from former attorneys of the Debtor amounts related to destruction costs of client files.

14. The Court shall retain exclusive jurisdiction to interpret and enforce the terms of this Order.

Entered: Sep 1 2022

/s/ Kevin R Huennekens

UNITED STATES BANKRUPTCY JUDGE

I ask for this:

Entered On Docket: Sep 2 2022

/s/ Paula S. Beran

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Counsel for Lynn L. Tavenner, Trustee

SEEN AND AGREED:

/s/ Jacqueline M. Price (signature authority via 8/26/22 email)
Jacqueline M. Price (BBO No. 707618)
Hackett Feinberg, P.C.
155 Federal Street, 9th Floor
Boston, MA 02110
Telephone: (617) 422-0200

Counsel for Iron Mountain

CERTIFICATION

I hereby certify that, pursuant to Local Rule 9022-1, the foregoing Order Approving Settlement has been served upon and/or endorsed by all necessary parties.

/s/ Paula S. Beran

Counsel for the Trustee

Service List

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